

# FISCAL NOTE

## HB 378 - SB 458

February 20, 2003

**SUMMARY OF BILL:** Increases the allocation of the realty transfer tax to the following funds.

<u>Fund Name</u>	<u>Current Allocation</u>	<u>Proposed Allocation</u>
Wetland Acquisition Fund	3.25 cents	3.50 cents
Local Parks Land Acquisition Fund	1.75 cents	2.00 cents
State Lands Acquisition Fund	1.50 cents	1.75 cents

### ESTIMATED FISCAL IMPACT:

**Other Fiscal Impact - Decrease revenues to the state's General Fund by an amount exceeding \$1,700,000 recurring and an increase in revenues to the Wetland, Local Parks and the State Lands Acquisition Funds by an amount exceeding \$1,700,000.**

### **Increase State Expenditures - \$22,000 - One-Time**

Estimate assumes:

- An annual 2% growth in the collection of realty transfer taxes.
- Current FY 2004 projections of revenue allocated to these three funds of \$14,831,942 based upon FY 2002 collections of \$14,256,000 and the aforementioned 2% growth rate for FY 02 and FY 03.
- Under this bill, FY 2004 projections of revenue allocated to these funds is \$16,543,320 based upon the .75 cent increase in apportionment.
- This is calculated as  $\$14,831,942 \times (7.25/6.5) = \$16,543,320$ .
- Therefore, the decrease in revenue to the general fund is calculated as  $\$16,543,320 - \$14,831,942 = \$1,711,378$ .
- The costs for systems changes associated with implementation are estimated to be \$22,000.

### CERTIFICATION:

This is to duly certify that the information contained herein is true and correct to the best of my knowledge.

A handwritten signature in black ink, reading "James A. Davenport". The signature is fluid and cursive, with the first name "James" being the most prominent.

James A. Davenport, Executive Director